

# NEWS FROM GCA

GRANT & CONTRACT ACCOUNTING



## 2020 2<sup>nd</sup> Quarter Newsletter

### Upcoming Events

- Summer 2020 GCA Forum via Zoom
  - o If you would like to suggest a topic for our next Forum, please email [gcahelp@uw.edu](mailto:gcahelp@uw.edu)
  - o If you missed our last forum, our Zoom video recording and slide sets can be found [here](#).

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### Preventing Stale Dated Checks

If your department is primarily teleworking, and you regularly receive payments from sponsors, please ensure these checks are sent promptly to GCA's lockbox. Holding checks for deposit at a later date can trigger the collections process and result in frustrated sponsors who have already paid, but the check has not been deposited and so cannot be applied to an outstanding invoice.

Note that checks expire: while most expire at 180 days, some expire 90 days after issuance (written on the front of the check).

In the event you have a check on-hand that exceeds the expiration period, please contact the sponsor to request a new check or request they send us the payment electronically via ACH or Wire.

Notify [gcacash@uw.edu](mailto:gcacash@uw.edu) in these instances to stop collection efforts when a sponsor has already paid.

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**Chicago Lockbox**

University of Washington  
Grant & Contract  
Accounting  
12455 Collections Drive  
Chicago, IL 60693-0001

**ACH Payment Details**

Bank of America  
Commercial Account Service  
Center (CASC)  
800 Fifth Avenue, Floor 8  
Mail Code WA1-501-08-23  
Seattle, WA 98104  
Account Type: Checking  
Routing #: 021052053  
Account #: 43223004

**Wire Payment Details:**

Bank of America N.A.  
222 Broadway  
New York, NY 10038 USA  
Account #: 62045000  
ABA #: 0260-0959-3  
Swift #: BOFAUS3N

Be sure to write the **budget number** near the memo line on the check and forward all supporting documentation to [gcacash@uw.edu](mailto:gcacash@uw.edu). Please note that this is only temporary - we plan to resume normal operations once the University's recommendation to telework is lifted.

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**Fiscal Year End**

Fiscal Year 2020 (FY20) ends on June 30. Please review fiscal year-end expenditures and resolve any issues before the fiscal year closes. Delayed transfer of expenditures between budgets may result in FY 2020 transactions being charged to FY 2021. Depending on the sponsor and/or award, costs posted to the wrong fiscal year may raise an audit risk.

While fiscal year end does not have the same impact on the University's accounting processes and systems as a biennium close, there are deadlines that can affect the accurate reconciliation of grants and contracts. Procurement Services maintains a current chart of deadlines for all of the University's financial accounting processes and systems on their [2020 Fiscal Year End Close](#) page.

For processes specific to GCA, please note the following deadlines:

- JVs to be processed by GCA for the transfer of costs on grants, contracts and gifts within FY20 must be submitted to our office no later than **noon on July 15**. JVs submitted to GCA after this deadline will post to FY21. If you are submitting a JV the morning of July 15, please email GCA at [gcahelp@uw.edu](mailto:gcahelp@uw.edu) with a subject line of "URGENT: FY20 JV REVIEW" to confirm that we have received your request.
- Deficit transfers processed through [GrantTracker](#) should also be submitted no later than **noon on July 15** to be included in FY20.

For information related to "Last Day" and "Dean's Day" deadlines, please see the [Procurement Services chart of deadlines](#).

During fiscal year end, the accounting month of June will not complete its final close in UW's system until August. In order to submit interim invoices or reports due prior to final close, GCA must work with preliminary June data. Departments whose grant or contract budgets require cost reimbursable invoicing or financial reporting for the period ending June 30 may see unexpected discrepancies between GCA's report or invoice and the [MyFinancial desktop](#) Budget

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Summary for the period. Any June transactions not reflected on an interim report or invoice will be included in the next report/invoice to the sponsor.

If your sponsor requires backup documents to be submitted with an invoice, please wait until we have posted the June invoice to GrantTracker before compiling the necessary paperwork. This will ensure that your documentation matches the expenditure total on the invoice.

If you are responsible for preparing an interim financial report for the period ending June 30, please create a **Variable Reporting Period Budget Summary** report in UW's B.I. portal with an end date of **July 7** so that your report is consistent with the financial reports created by GCA.

In most cases, budgets ending June 30 will have a **FINAL** reporting or invoicing deadline 60-90 days after the end date, allowing GCA to prepare and submit these documents after the final June close. However, if your budget's final invoice or report is due less than 60 days after the budget ends, please ensure that you inform GCA of any [pending transactions](#) **at least two weeks prior to the report/invoice due date**.

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### Training Grant Reconciliation

Since the vast majority of NIH training grants operate on a July 1 – June 30 award year, we are entering the busiest time of year for staff who manage these budgets. Here are some tips to make the annual reconciliation process as smooth and painless as possible—and to set yourself up for success going forward.

**Promptly review GrantTracker messages and respond to any action requests:** After GCA completes our initial reconciliation of your training grant, we will notify you via GrantTracker about the following issues:

- Resolution of any discrepancies discovered during the reconciliation process
- Review of the draft Outstanding Trainee Obligations (OTO)
- Tuition obligation for the upcoming budget period
- Deficit balance, if any, and transfer options

Since troubleshooting training grants can be a time-consuming task, particularly if you need to correct trainee stipend payments, please begin early and budget ample time for the process.

**Pay attention to payroll earn types:** NIH trainee or fellowship stipends **MUST** be paid from the following earn types **ONLY**:

- 1) Post-Docs: With Benefits
    - a. Object Code = 01-50
    - b. [Earn Type Code = TRN](#)
  - 2) Pre-Docs: With Benefits
    - a. Object Code = 01-90
    - b. [Earn Type Code = SWB](#)
  - 3) Pre-Docs: Without Benefits
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- a. Object Code = 08-02
- b. [Earn Type Code = STP](#)

**Best Practice:** As part of your regular budget reconciliation, at least once per quarter confirm that no stipend payments have posted to any object code other than 01-50, 01-90, or 08-02. If you discover any errors, please contact the ISC to request the earn type correction.

**Resources:**

- A) [ISC Payroll Processes webpage](#)
- B) [School of Medicine’s Training Grants & Resources page](#)

**SPRING 2020 GRANT TRACKER UPDATES**

**View Open GrantTracker Notes in One Location!**

You may have noticed some changes to how open GrantTracker notes are highlighted on the Budget Summary page. Previously, open requests were highlighted within a red box as part of the “Budget Information” section. We have replaced it with a new section beneath “Budget Information”. If you are viewing a parent budget, you will see open notes for the parent and all of its sub budgets in one location. However, on a sub budget’s summary page you will only see the open requests for that specific budget. We’re hopeful this will make open requests easier when managing parent and sub budgets.

**Financial Report Setup under Sub Budgets**

For new awards set up after April 1 that require separate year accountability, you will now see financial reports setup under the appropriate sub budget in GrantTracker.

Previously, we would set up all annual reports under the parent budget, but now the annual report for each year will be shown under the sub budget that corresponds to each budget period.

All the reports will still be viewable on the parent budget in GrantTracker, but the corresponding sub budget will be listed alongside each report to help you manage in a more comprehensive manner.

**☐ Reports**

Report ID	Budget	Name	Frequency	Report Format	GCA or Dept Prepared	Report Status	Report Due	Completed	Revised	Report Begin	Report End
50292	800521	RETINAL TUMORIGEN YR4	Annual	AGENCY	Department	Not Started	8/29/2024			7/1/2023	6/30/2024
50291	800520	RETINAL TUMORIGEN YR3	Annual	AGENCY	Department	Not Started	8/29/2023			7/1/2022	6/30/2023
50290	800518	RETINAL TUMORIGEN YR2	Annual	AGENCY	Department	Not Started	8/29/2022			7/1/2021	6/30/2022
50289	800511	RETINAL TUMORIGEN YR1	Annual	AGENCY	Department	Not Started	8/29/2021			7/1/2020	6/30/2021

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Please send any commutation for your reports under the appropriate sub budget so that all requests can be tracked in one place.

### **Automated Interim Reports**

We have made some major changes to our interim report process with the automation of two high volume report formats – the SF425 Federal Financial Report and the Report of Expenditures (UW standard format).

The expenditure information is pulled directly from our financial system, with the cost share amounts coming directly from eFECS.

This not only saves us significant time when preparing the reports, but also minimizes errors.

For interim reports that require a certain percentage of cost share that needs to be met, please submit your interim Cost Share report and/or your non-FEC cost share actuals to GCA a month before your report is due. If your interim report has already been submitted to the sponsor before you submit your cost share to us we will not revise the report. The cost share will be reflected on your next report.

If unmet cost share is negatively impacting your award (future funding is withheld, or payment is denied) notify us immediately by sending us any correspondence from the sponsor. We may need to remove your interim reports from the automated process and work with you to make sure that cost share is met before we submit future reports to the sponsor.

Once the interim report has been generated you will receive a system generated GrantTracker notification with the report attached:

*Hello,*

*Attached is the interim financial report for the period ending 04/30/2020. A copy of the report has been submitted to the sponsor or attached here for your review and submission.*

*If you have any questions, please reply to this Grant Tracker or call (206) 616-9995.*

*Thank you,*

*GCA Reporting Team*

In order to receive this notification please make sure that your Campus Contact information is populated and accurate in GrantTracker.

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## **GCA COVID-19 UPDATES**

### **Transition to Telework during COVID-19**

In response to COVID-19, the GCA office closed, and all staff have transitioned to working from home. This change forced our office to make many long-term updates. Prior to the pandemic, GCA relied on physical file folders. With physical budget folders and printers less accessible, we converted our award files to electronic formats, created a database to facilitate the workflow, and implemented standard procedures for our digital recordkeeping. There was a short transition period as we adjusted to the new “normal,” but becoming a more “green” office by limiting our use of paper has long been a GCA goal. We are excited that it is finally happening!

GCA uses Lean principles to manage and improve our processes, including arranging physical space and visual indicators to support our work. Converting physical tools into online formats posed challenges, but we find value in continuously discussing and adjusting our processes. Colleagues are no longer a short walk across our open office, but Microsoft Teams has helped us stay connected from afar. We also started using SharePoint, which helps us visualize our monthly goals and organize our daily workload. Changes in SharePoint are automatically saved and updated in real time, allowing multiple team members to work in the same document. We’ve moved our meetings to Zoom, including our first online GCA Forum in May! It was a huge success and we are looking forward to using Zoom for future forums.

### **Communicating with GCA during COVID\_19**

Our GCA Help phone line is currently closed; however, we still have access to voicemail. If you need to speak with a Grant Analyst, please send an email to [gcahelp@uw.edu](mailto:gcahelp@uw.edu) requesting a call back. Be sure to include details related to your call and a budget number, if applicable, to help us prepare for the call. For general GCA questions, our preferred method of communication is email or [GrantTracker](#). Please do not send duplicate requests via GrantTracker **and** email. We closely monitor both systems, and multiple requests can lead to confusion and duplicate work.

We welcome any feedback you may have on how we can better serve the UW campus during these unprecedented times. We would love to hear from you!

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## **UNDERSTANDING F&A**

### **What Is an F&A Base and How Is It Determined?**

The Facilities and Administrative (F&A) base, or indirect cost base, delineates the categories of direct costs subject to the F&A rate.

For federal awards, the most common base is [Modified Total Direct Costs \(MTDC\)](#), which is defined by [2 CFR 200.68](#). This is coded as base type 18 in our financial system.

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For non-federal awards, the base will be determined by the sponsor's requirements. When there are no specific requirements, the Total Direct Cost (TDC) base is used, in which all costs are subject to F&A. This is coded as base type 11.

**Where to find the base used on a budget:**

MyFinancial.desktop (MyFD) – In the budget profile (accessible by clicking the button that says 'Profile' next to the budget number), the F&A base on the budget is listed under the 'Indirect Cost' (Indirect Cost Actual Base).

Reporting Period: May 2020

+ 00-0000 YOUR BUDGET Profile

- Indirect Cost > Back To Top

Item	Value	Description
Indirect Cost IDC Rate Change	2	Standard = Negotiated Rate
On-Off Campus	1	On Campus
Indirect Cost Actual Base	11	Indirect Cost base applied
Indirect Cost Actual Rate	20.0000	
Indirect Cost Standard Base	18	Indirect Cost base applied
Indirect Cost Standard Rate	55.5000	
Cost Pool	9000	
Cost Share I/C Base	18	Modified Total Direct Cost
Cost Share I/C Rate	55.5000	

GrantTracker – the base is listed under Budget Information by Actual IDC Base.

Revenue Code:	944189
Form Of Pay:	08 - Scheduled Payment 5908
Actual IDC Base:	11
Actual IDC Rate:	15
Cost-Share Flag (Y/N):	No
Cost-Share Pledged:	
Cost-Share Actual:	
Interest Accrued(Y/N):	No
Record Retention Trigger Date:	Unavailable ?

**Determining which object codes are subject to and exempt from F&A for each base:**

This [link](#) provides an overview of the different F&A bases and outlines which cost categories are included/excluded for each base. The bases are listed in numerical order.

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16	Indirect Cost base applied	Direct Costs Excluding Fellow & Trainee Salary, In-Patient, Out-Patient, Vessel Recharge, Subcontracts, Rent, Equipment, Stipends, Tuition & Fees, and Fixed Fee. (Includes Object Codes 01, 02, 03, 04, 05, 07, 08, 19, 21, & 22. Excludes Object Codes 01-90,03-04, 03-27, 03-32, 03-38, 03-62, 03-80, 05-47, 05-48, 06, 08-02, 08-05, 08-08, & 19-40)
17	Indirect Cost base applied	Direct Costs Excluding Contract Personnel Services and Fixed Fee. (Includes Object Codes 01, 03, 04, 05, 06, 07, 08, 19, 21, & 22. Excludes Object Codes 02, 03-04, 05-47, 05-48 & 19-40)
18	Indirect Cost base applied	Modified Total Direct Costs (MTDC) Excluding PostDoc Rsch Trainee Salary, Fellow & Trainee Salary, In-Patient, Out-Patient, Vessel Recharge, Subcontracts, Rent, Equipment, Scholarships, Stipends, Tuition & Fees, and Fixed Fee. (Includes Object Codes 01, 02, 03, 04, 05, 07, 08, 19, 21, & 22. Excludes Object Codes 01-50, 01-90,03-04,03-27, 03-32, 03-38, 03-62, 03-80, 05-47, 05-48, 06, 08-01, 08-02, 08-05, 08-08, & 19-40) Base 18 Use: Any 03-62 requires BSC encumbrance for the 1st \$25K subject.

## Resources:

### [GIM 13 – Facilities and Administrative \(F&A\) Rates](#)

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## 3<sup>rd</sup> Quarter Fall GCA Newsletter – Coming September 2020!

We already have a few great articles lined up for you!

- Subcontract F&A and Encumbrances
- Advance Budgets – When and Why?
- What Happens After My Award Is Sent To GCA?

If you have any ideas or requests for future Newsletters, please email those to [gcahelp@uw.edu](mailto:gcahelp@uw.edu).

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[GRANT TRACKER](#)

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